

**DISCLAIMER**

*This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).*

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, SEPTEMBER 3, 1998

APPLICATION OF

PREFERRED CARRIER SERVICES  
OF VIRGINIA, INC.

CASE NO. PUC980113

For a declaratory judgment  
concerning authority to  
provide local exchange  
telephone service

ORDER INVITING COMMENTS

On August 6, 1998, Preferred Carrier Services of Virginia, Inc. ("PCSV") filed its Petition for a Declaratory Judgment with Request for Expedited Treatment of Petition and Grant of Authority to Provide Local Telephone Service Pending Final Disposition ("Petition"). The Petition requests the Commission declare (1) PCSV does not need a waiver from the Commission to provide local telephone service to customers who choose to subscribe to blocking services in exchange for no credit check or deposit requirements, whereby the customer would receive unlimited local calling with toll blocking, operator services blocking and directory assistance blocking, because the blocking of such services is not prohibited by the Commission's Rules Governing the Offering of Competitive Local Exchange Telephone Service ("Competition Rules"), 20 VAC 5-400-180, and (2) that

caller restriction services described as originating toll blocking, toll restriction (except 700/900) and long distance message restriction are competitive services not subject to tariff and pricing requirements.

The Petition further requests that, in the alternative, should the Commission rule that a waiver from certain provisions of § 3(A) of the Competition Rules is necessary, it grant such a waiver of those provisions. PCSV also requests a waiver from the price ceiling requirement of § 4(C) of the Competition Rules should the Commission determine that the proposed service of PCSV is subject to the price ceiling.

The local telephone service<sup>1</sup> PCSV proposes to offer would provide the customer with unlimited calling within the local exchange area at a prepaid amount (including all fees and taxes); however, access to toll, operator and directory assistance services would be blocked. The customer would not be required to undergo a credit check or deposit requirement. The price for this PCSV service would be considerably higher than those rates for comparable local telephone service provided by the incumbent local exchange carrier.

---

<sup>1</sup> The Commission is aware that PCSV plans to offer this service through 7-11 stores. A customer would be required to purchase a "prepaid" local exchange card for a 30 day period and, the purchase of additional cards would be necessary for every 30 day period. An activation card (including the first 30 days) would be necessary for first time customers and is priced at \$69.99 with subsequent monthly cards priced at \$49.99 each.

PCSV asserts there may be a market for the service it proposes. The Commission has concluded that consumers and other local exchange carriers might be concerned whether such service can or should be offered within the constraints of our Competition Rules. In light of this, the Commission invites comments concerning PCSV's petition. Accordingly,

IT IS THEREFORE ORDERED THAT:

(1) Comments concerning the Petition of PCSV, requests for a hearing, or both may be filed with the Clerk of the Commission, c/o Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia 23219 on or before October 9, 1998. Such comments or requests for hearing should refer to Case No. PUC980113.

(2) PCSV furnish a copy of its Petition to any person who requests one.

(3) PCSV shall publish once on or before September 14, 1998, as classified advertising, a notice of its Petition in daily newspapers of general circulation in Virginia as follows:

NOTICE BY PREFERRED CARRIER SERVICES OF  
VIRGINIA, INC. THAT IT SEEKS A DECLARATORY  
RULING THAT IT IS AUTHORIZED TO PROVIDE  
RESTRICTED PREPAID LOCAL EXCHANGE TELEPHONE  
SERVICE, CASE NO. PUC980113

On August 6, 1998, Preferred Carrier Services of Virginia, Inc. ("PCSV") filed a petition with the Virginia State Corporation Commission ("SCC") seeking a declaratory judgment that PCSV does not need a waiver of

Commission Rules to sell a form of local exchange telephone service whereby customers avoid credit check and deposit requirements, pay monthly in advance for unlimited local calling, but are restricted from long distance calling, operator services, directory assistance, and other phone services that involve a usage charge, including the receipt of collect calls or third-party billed calls. This proposed service would be priced considerably higher than comparable local telephone service provided by the incumbent local exchange carrier. Alternatively, PCSV seeks a waiver of the price ceilings and other requirements of those Rules to provide this restricted prepaid local exchange telephone service.

The SCC invites comments or requests for hearing concerning PCSV's petition. Comments or requests for hearing should be addressed to the Clerk of the Commission, c/o Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, such comments or requests for hearing should refer Case No. PUC980113 and must be filed on or before October 9, 1998.

Any person desiring a copy of PCSV's petition may order one by contacting PCSV's attorney, John L. Marshall, Jr., Esquire, McSweeney, Burtch & Crump, P.O. Box 1463, Richmond, Virginia 22218, telephone number (804) 783-6818.

PREFERRED CARRIERS SERVICES OF VIRGINIA, INC.

(4) This matter is continued generally.